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**TOWN OF COFFEEVILLE, MISSISSIPPI**

**COMPILATION &  
AGREED UPON PROCEDURES REPORT**

**OCTOBER 1, 2002 – SEPTEMBER 30, 2003**

## TABLE OF CONTENTS

ACCOUNTANT'S COMPILATION REPORT.....	1
COMBINED STATEMENT OF CASH RECEIPTS & DISBURSEMENTS-ALL FUND TYPES.....	2
SCHEDULE OF LONG-TERM DEBT.....	4
SCHEDULE OF SURETY BONDS OF TOWN OFFICIALS .....	5
INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED UPON PROCEDURES.....	6

**RONNIE S. WINDHAM**  
**Certified Public Accountant**  
**P.O. Box 159**  
**Oxford, MS 38655**

**ACCOUNTANT'S COMPILATION REPORT**

Honorable Mayor and  
Board of Aldermen  
Town of Coffeeville  
Coffeeville, MS

I have compiled the accompanying statement of cash receipts and disbursements – all fund types of the Town of Coffeeville for the year ended September 30, 2003, and supplementary information on pages 4 and 5, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The financial statement has been prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

A compilation is limited to presenting information that is the representation of management in the form of financial statements and supplementary information. I have not audited or reviewed the accompanying financial statement and supplementary information and, accordingly, do not express an opinion or any other form of assurance on them.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared on the cash basis of accounting. If the omitted disclosures were included in the financial statement, they might influence the user's conclusions about the Town's cash receipts and disbursements. Accordingly, the financial statement is not designed for those who are not informed about such matters.

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Ronnie S. Windham CPA

August 6, 2004

**TOWN OF COFFEEVILLE, MISSISSIPPI**  
**STATEMENT OF CASH RECEIPTS & DISBURSEMENTS – ALL FUND TYPES**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2003**

	<u>Governmental Fund Types</u>			Proprietary	Totals
	General	Debt Service	Special Revenue	Fund Type Enterprise	(Memorandum Only)
Cash Receipts					
Taxes					
General Property Taxes	\$100,264				100,264
Licenses & Permits	2,668				2,668
Intergovernmental Receipts					
Federal Receipts	13,301				13,301
State Shared Receipts					
General Municipal Aid	485				485
TVA Payments in Lieu	6,658				6,658
Sales Tax	105,462				105,462
Fire Protection Allocation	4,204				4,204
Gasoline Tax	2,528				2,528
City Utilities Tax	4,051				4,051
Alcohol Beverage License	2,700				2,700
Charges for Services					
Water Utility				164,774	164,774
Fines and Forfeits	19,395				19,395
Franchise Charges	22,898				22,898
Sanitation				50,000	50,000
Rents, Royalties & Interest	12,527		32,901	102	45,530
Interfund Transfers	12,191	63,859			76,050
Principal Rec'd on Note Pay.			30,958		30,958
Miscellaneous	<u>51,608</u>	<u>          </u>	<u>          </u>	<u>5,520</u>	<u>57,128</u>
<b>TOTAL CASH RECEIPTS</b>	<b>\$360,940</b>	<b>63,859</b>	<b>63,859</b>	<b>220,396</b>	<b>709,054</b>

See Accountant's Compilation Report

**TOWN OF COFFEEVILLE, MISSISSIPPI**  
**COMBINED STATEMENT OF CASH RECEIPTS & DISBURSEMENTS – ALL FUND TYPES**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2003**

	<u>Governmental Fund Types</u>			Proprietary Fund Type Enterprise	Totals (Memorandum Only)
	General	Debt Service	Special Revenue		
Cash Disbursements					
General Government	106,824				106,824
Public Safety	132,604				132,604
Sanitation				50,417	50,417
Water and Sewer Utility				110,712	110,712
Interest Payment on Debt		21,291		75,413	96,704
Principal Payments on Debt		30,958		24,959	55,917
Highways and Streets	47,354				47,354
Culture and Recreation	691				691
Capital Outlay	3,070			1,975	5,045
Other Services and Charges	15,159				15,159
Interfund Transfers		11,610	63,872	586	76,068
TOTAL CASH DISBUR.	305,702	63,859	63,872	264,062	697,495
Excess (Def.) of Cash Receipts Over Cash Disbursements	55,238	0	(13)	(43,666)	11,559
Cash and investment balances, beginning of year	<u>205,031</u>	<u>0</u>	<u>13</u>	<u>67,306</u>	<u>272,350</u>
Cash and investment balances, end of year	<u>260,269</u>	<u>0</u>	<u>0</u>	<u>23,640</u>	<u>283,909</u>

See Accountant's Compilation Report

**TOWN OF COFFEEVILLE, MISSISSIPPI**  
Schedule of Long-Term Debt  
September 30, 2003

	<b>Balance October 1, 2002</b>	<b>Additions</b>	<b>Reductions</b>	<b>Balance September 30, 2003</b>
Note payable – Avery	\$ 419,151	\$	\$ 30,958	\$ 388,193
Note payable – Truck	-	14,593	2,732	11,861
Note payable – Cap Loan	200,449	-	15,309	185,140
Note payable – Farmers Home	<u>760,000</u>	<u>-</u>	<u>6,918</u>	<u>753,082</u>
TOTAL	\$1,379,600	\$ 14,593	\$ 55,917	\$1,338,276

See Accountant's Compilation Report

**TOWN OF COFFEEVILLE, MISSISSIPPI  
SCHEDULE OF SURETY BONDS FOR MUNICIPAL OFFICIALS  
SEPTEMBER 30, 2003**

**DATES OF COVERAGE**

<b>NAME</b>	<b>POSITION</b>	<b>From</b>	<b>To</b>	<b>COMPANY</b>	<b>BOND</b>
Mack Burns	Mayor	07-01-03	07-01-04	Scott Municipal Ins.	\$50,000
Patricia Moody	Deputy Clerk	12-19-02	12-19-03	Scott Municipal Ins.	\$10,000
Larry Tritt	Police Chief	12-19-02	12-19-03	Scott Municipal Ins.	\$50,000
Pam Haver	Town Clerk	12-19-02	12-19-03	Scott Municipal Ins.	\$50,000
Joe Bourn	Vice Mayor	07-01-03	07-01-04	Scott Municipal Ins.	\$ 5,000
Mack Dudley	Alderman	07-01-03	07-01-04	Scott Municipal Ins.	\$ 5,000
Johnny Roland	Alderman	07-01-03	07-01-04	Scott Municipal Ins.	\$ 5,000
Morris McKee	Alderman	07-01-03	07-01-04	Scott Municipal Ins.	\$ 5,000
William Shelton, Jr.	Alderman	07-01-03	07-01-04	Scott Municipal Ins.	\$ 5,000
Rebecca McCullar	Deputy Clerk	12-19-02	12-19-03	Scott Municipal Ins.	\$10,000
Hank Buse	Police Officer	07-01-03	07-01-04	Scott Municipal Ins.	\$25,000
James Massey	Police Officer	07-01-03	07-01-04	Scott Municipal Ins.	\$25,000
Jerry Ferguson	Police Officer	07-01-03	07-01-04	Scott Municipal Ins.	\$25,000

**RONNIE S. WINDHAM**  
**Certified Public Accountant**  
**P.O. Box 159**  
**Oxford, MS 38655**

**INDEPENDENT ACCOUNTANT'S REPORT ON**  
**APPLYING AGREED-UPON PROCEDURES**

Honorable Mayor and Members  
Of Board of Aldermen  
Town of Coffeeville  
Coffeeville, Mississippi

I have applied certain agreed upon procedures, as discussed below, to the accounting records of the Town of Coffeeville, Mississippi, as of September 30, 2003, and for the year then ended, as required by the Office of the State Auditor, under the provisions of Section 21-35-31, Miss. Code Ann. (1972). It is understood that the report is solely for the use of the governing body of the Town of Coffeeville, Mississippi, and the Office of the State Auditor and should not be used for any other purpose. My procedures and findings are as follows:

- A. I reconciled cash on deposit with the following banks to balances in the respective general ledger accounts and obtained confirmation of the related balances from the banks:

BANK	FUND	BALANCE PER GENERAL LEDGER
Peoples Bank and Trust	General Fund	\$ 38,479
Peoples Bank and Trust	General Fund	10,616
Peoples Bank and Trust	General Fund	5,900
Peoples Bank and Trust	General Fund	9,849
Peoples Bank and Trust	General Fund	<u>5,400</u>
	Total General Fund	<u>\$ 70,244</u>
Peoples Bank and Trust	Water and Sewer Fund	\$ 13,640
Peoples Bank and Trust	Water and Sewer Fund	<u>10,000</u>
	Total Water and Sewer Fund	<u>\$ 23,640</u>

- B. I confirmed directly with respective banks all investments, including certificates of deposits, owned by the Town of Coffeeville. All investment transactions during the year were examined for compliance with investments authorized by Section 21-33-323, Mississippi Code, Ann. (1972).

<u>Investment</u>	<u>Fund</u>	<u>Amount</u>
Certificate of Deposit	General Fund	<u>\$ 190,025</u>

C. I performed the following procedures with respect to taxes on real and personal property (including motor vehicles) levied during the fiscal year:

1. Proved the mathematical accuracy of the tax rolls and traced levies to governing body minutes.
2. Reconciled the amount of taxes levied per the tax rolls to amounts actually collected.
3. Examined uncollected taxes for proper handling, including tax sales.
4. Traced distribution of taxes collected to proper funds.
5. Analyzed increase in taxes for most recent period for compliance with increase limitations of Section 27-39-320 to 27-39-323, Miss. Code Ann. (1972).

Tax assessments were found to be mathematically correct and in agreement with collections as follows:

	ASSESSED	VALUES
	<u>TAX</u>	
Assessed Values:		
Realty	\$1,794,606	59,707
Personal other than automobiles	208,579	6,939
Utilities	338,481	11,261
Mobile homes	14,179	472
Automobiles, remitted by county	829,064	27,583
Total Town at 33.27 Mills	<u>\$3,184,909</u>	105,962
Less: Homestead Exemption Allowed		(16,931)
Add: Homestead Reimbursement		13,030
Road tax		<u>3,305</u>
Total Taxes to be Accounted for		<u>\$ 105,366</u>
Collections Allocated to		
General fund		\$ 100,264
Unpaid taxes		4,423
Difference		<u>679</u>
Total Taxes to be Accounted for		<u>\$ 105,366</u>

The distribution of taxes to funds was found to be in accordance with prescribed tax levies, and uncollected taxes were properly handled.

Ad valorem tax collections were found to be within the limitations of Sections 27-39-320 to 27-39-323, Miss. Code Ann. (1972), as follows:

Actual Collections		Actual Collections	
Base Year 2002	\$87,609	2002	\$87,234
10 percent Increase	<u>8,761</u>	Homestead Exemption	
		Reimbursement	13,030
		Exempt under §27-39-320	(5,731)
		Under (Over) Limitation	<u>1,837</u>
Total	<u>\$96,370</u>	Total	<u>\$96,370</u>

- D. I obtained a statement of payments made by the Department of Finance and Administration to the municipality. Payments indicated were traced to deposit in the respective bank accounts and recorded in the general ledger without exception. Payments traced were as follows:

<u>Payment Purpose</u>	<u>Receiving Fund</u>	<u>General Ledger Amount</u>
Liquor Privilege	General Fund	\$ 2,700
Fire Protection	General Fund	4,204
General Municipal Aid	General Fund	485
Gasoline Tax	General Fund	2,528
Homestead	General Fund	13,030
TVA Payments	General Fund	6,658
Sales Tax	General Fund	105,462
City utilities	General Fund	4,051
Law Enforcement Grants	General Fund	6,000

- E. I selected a sample of purchases made by the municipality during the fiscal year. Each sample item was evaluated for compliance with purchasing requirements set forth in Sections 31-7-1, 31-7-13, 31-7-49 and 31-7-57, Miss. Code Ann. (1972), as applicable.

The sample consisted of the following:

Number of Sample Items	31
Dollar Value of Sample	\$26,244

I found the municipality's purchasing procedures to be in agreement with the requirements of the above-mentioned sections.

- F. I have read the Municipal Compliance Questionnaire completed by the municipality. The following response to the questionnaire indicates non-compliance with state requirements:

The Town did not maintain a fixed asset inventory as required by the State Department of Audit Municipal Audit and Accounting Guide.

Because the above procedures do not constitute an audit conducted in accordance with auditing standards generally accepted in the United States of America, I do not express an opinion on any of the specific accounts or classes of transactions referred to above. In connection with the procedures referred to above, no matters came to our attention that caused us to believe the items specified in paragraphs A, B, and C should be adjusted. Had I performed additional procedures or had I conducted an audit of the financial statements in accordance with auditing standards generally accepted in the United States of America, Matters might have come to my attention that would have been reported to you. This report should not be associated with the financial statements of the Town of Coffeeville, Mississippi, for the year ended September 30, 2003.

Ronnie S. Windham  
August 6, 2004

**RONNIE S. WINDHAM**  
**Certified Public Accountant**  
**P.O. Box 159**  
**Oxford, MS 38655**

**INDEPENDENT ACCOUNTANT'S REPORT**

Honorable Mayor and  
Board of Aldermen  
Town of Coffeeville  
Coffeeville, Mississippi

I have compiled the accompanying historical statement of budget income and equity – cash basis for the year ended September 30, 2003, the proposed forecasted statement of budget, income and equity – cash basis, for the year ending September 30, 2004, the related forecasted statement of projected cash flows for the year ending September 30, 2004, and supplemental data required by FmHA of the Town of Coffeeville, Mississippi's Water and Sewer Fund, in accordance with guidelines established by the American Institute of Certified Public Accountants.

The accompanying proposed operating budget forecast and budgeted cash flow schedules present, to the best of management's knowledge and belief, the net income and projected cash flow for the forecast period. This is a partial presentation and is not intended to be a full presentation, which would include a forecasted statement of financial position, results of operations, and cash flows and a summary of significant accounting policies. The accompanying proposed statement schedules and this report were prepared to fulfill Farmers Home Administration's reporting requirements and should not be used for any other purpose.

A compilation is limited to presenting forecasted information that is the representation of management and does not include evaluation of the support for the assumptions underlying such information. I have not examined the forecast and, accordingly, do not express an opinion or any other form of assurance on the accompanying statements or assumptions. Furthermore, there will usually be differences between forecasted and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material. I have no responsibility to update my report for events and circumstances occurring after the date of this report.

Management has elected to omit the summary of significant accounting policies. If the omitted disclosures were included in the forecasted presentation, they might influence the user's conclusions about the Town's forecasted schedules for the period. Accordingly, these forecasted statements and related schedules are not designed for those who are not informed about such matters.

The historical financial statement for the year ended September 30, 2003 (from which the historical data are derived) and my report thereon is set forth on pages 2 and 3 of this document.

Ronnie S. Windham  
August 6, 2004

**TOWN OF COFFEEVILLE, MISSISSIPPI**

Water and Sewer

Year Ended September 30, 2003

**NOTE TO FINANCIAL STATEMENTS****Note 1. Summary of Significant Forecast Assumptions**

This financial forecast presents, to the best of management's knowledge and belief, the Water and Sewer Fund's expected cash receipts and disbursements for the forecast period. Accordingly, the forecast reflects management's judgment as of July 6, 2004, the date of this forecast, of the expected conditions and its expected course of action. The assumptions disclosed herein are those that management believes are significant to the forecast. There will usually be differences between the forecasted and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

**Operating Income**

This amount was budgeted by management for their fiscal year ending September 30, 2004. Budgeted figures are based on the historical statement of budget, income and equity for the year ended September 30, 2003, with any projected changes for the coming year reflected.

**Administration and Cost of Sales Expenses**

These amounts were budgeted by management for their fiscal year ending September 30, 2004. Budgeted figures are based on the historical statement of budget, income and equity for the year ended September 30, 2003, with any projected changes for the coming year reflected.

**Principal Payment**

Management used amortization schedules of debt repayment to estimate principal payment of debt in the coming year.

**Capital Outlay**

This amount was budgeted by management for their fiscal year ending September 30, 2004. Budgeted figures are based on management's projection of capital expenditures for the fiscal year ending September 30, 2004.

**Nonoperating Income**

This amount was budgeted by management for their fiscal year ending September 30, 2004. Budget figures are based on the historical statement of budget income, and equity for the year ended September 30, 2003, with any projected changes for the coming year reflected.

